

Message Text

LIMITED OFFICIAL USE

PAGE 01 KARACH 01096 150835Z

20

ACTION NEA-16

INFO OCT-01 ISO-00 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 DODE-00 PA-04 USIA-15 PRS-01 L-03 DRC-01 /154 W

----- 023965

R 150745Z MAY 74

FM AMCONSUL KARACHI

TO SECSTATE WASHDC 8099

AMEMBASSY ISLAMABAD

INFO AMCONSUL LAHORE

LIMITED OFFICIAL USE KARACHI 1096

E.O. 11652: N/A

TAGS: EFIN, PK

SUBJECT: KARACHI STOCK EXCHANGE RESUMES DESULTORY TRADING

REF: KARACHI 1071

1. FOLLOWING A 3-DAY STANDSTILL AT KSE, DURING WHICH AGENTS REFUSED TO CONDUCT BUSINESS OWING GRIEVANCES OUT-LINED REFTTEL, VERY SLOW TRADING AT CONTINUED DEPRESSED PRICE LEVELS RESUMED ON MAY 11 FOLLOWING ASSURANCES BY KSE MANAGEMENT THAT THEY WOULD DO THEIR BEST TO OBTAIN GOP ACTION WHICH WILL IMPROVE TRADING CLIMATE. KSE VICE PRESIDENT HAS REPORTEDLY ASSURED BROKERS AND AGENTS THAT BOARD WILL STEP UP ITS EFFORTS TO GET GENUINE DIFFICULTIES OF INVESTORS AT LARGE REDRESSED. KSE ALSO CLAIMS WILL TAKE ACTION UNDER OFFICIAL LISTING RULES OF THE EXCHANGE AGAINST SLOW MOVING GOVERNMENT-CONTROLLED COMPANIES WHO HAVE NOT YET CONFIRMED TRANSFER STOCK CERTIFICATES AND REIMBURSED ORIGINAL SHARE HOLDERS. KARACHI NEWSPAPERS, IN ARTICLES CONCERNING REOPENING KSE, EXPRESSED HOPE THAT "THREE-DAY AGITATION HAS PRODUCED DESIRED IMPACT AND VERY LIKELY CONCERNED OFFICIAL

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KARACH 01096 150835Z

AUTHORITIES WILL SOON ANNOUNCE REMEDIAL MEASURES". PAPERS

ALSO EXPRESSED HOPE COMPENSATION FOR ACQUIRED SHARES WOULD BE PAID IN CASH, AND THAT PROVISION, THEREFORE, WOULD BE ANNOUNCED IN COMING FEDERAL BUDGET.

2. KSE SECRETARY, WITH WHOM I SPOKE AGAIN ON MAY 14, SAID THAT THERE HAS YET BEEN NO REACTION AT ALL FROM GOP TO DEMANDS PUT FORWARD BY AGENTS IN CONNECTION WITH STANDSTILL. KSE BOARD, HE SAID, WILL MEET WITH HEADS OF SEMI-GOVERNMENTAL FINANCIAL INSTITUTIONS ON MAY 15 FOLLOWING WHICH KSE WILL DECIDE MANNER IN WHICH IT WILL PRESENT TO GOP THE MEMORANDUM WHICH IT HAS DRAWN UP. IF GOP TAKES NO ACTION IN 15 DAYS, AGENTS CLAIM THEY WILL AGAIN COME TO "STANDSTILL".

3. COMMENT: PUBLICITY BROUGHT TO PLIGHT OF STOCK EXCHANGE AND INVESTORS THEREIN MAY JUST PERSUADE GOP SPEED UP STOCK TRANSFER AND COMPENSATION, BUT SUCH ACTION WOULD SEEM FROM OUR VIEWPOINT TO BE VERY LOW ON LIST OF NATIONAL PRIORITIES.
BRYANT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SECURITIES MARKETS, STOCKS (SECURITIES)
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974KARACH01096
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740119-0640
From: KARACHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740547/aaaabpax.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: KARACHI 1071
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 22 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 AUG 2002 by WorrelSW>; APPROVED <19 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: KARACHI STOCK EXCHANGE RESUMES DESULTORY TRADING
TAGS: EFIN, PK
To: STATE ISLAMABAD
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005